

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Bulletin 2012-05-INS

In the matter of

**Annual Adjustment of the Fire Insurance Maximum  
Escrow under the Michigan Insurance Code**

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Issued and entered  
this <sup>23</sup>~~23~~ day of March, 2012  
By R. Kevin Clinton  
Commissioner

This bulletin supersedes Bulletin 2011-08-INS, dated February 15, 2011.

Sections 2227 and 2845 of the Michigan Insurance Code, 1956 PA 218, MCL 500.227 and 500.2845, allow municipalities which participate in the fire insurance withholding program to escrow 25% of a fire insurance settlement for losses that meet established criteria to real property within the boundaries of the municipality. For residential property, the 25% settlement shall not exceed a maximum amount which is adjusted annually, beginning June 1, 1999, from the original maximum of \$6,000, in accordance with the consumer price index.

The new fire insurance maximum withholding amount effective **June 1, 2012 through May 31, 2013 is \$8,129.**

The maximum assignment levels for recent years are as follows:

June 1, 2011 through May 31, 2012 ---- \$7,873  
June 1, 2010 through May 31, 2011 ---- \$7,812  
June 1, 2009 through May 31, 2010 ---- \$7,860  
June 1, 2008 through May 31, 2009 ---- \$7,681

Any questions regarding this bulletin should be directed to:

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R. Kevin Clinton  
Commissioner